

# AlliSyia Rupiah Balanced Fund

## January 2016

**BLOOMBERG: AZSRPBL:IJ**

**INVESTMENT OBJECTIVE**

The objective of this fund is to achieve conservative long term capital growth while earning relatively stable income.

**INVESTMENT STRATEGY**

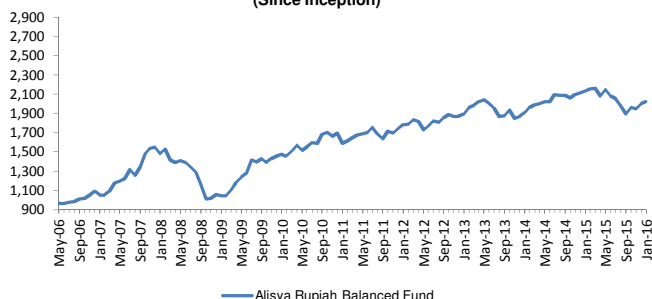
To achieve the investment objectives, this fund shall be invested with a target of 7.5% in short term sharia instruments (such as deposits of sharia, sharia SBI, sharia SPN, and / or money market mutual funds), 40% in medium or long term sharia instruments (such as sharia bonds, sharia corporate bonds and / or sharia fixed income mutual funds), and 52.5% in the sharia based equity instruments in accordance to OJK's decision (either directly through sharia stocks or through sharia equity mutual funds).

**PERFORMANCE INDICATOR**

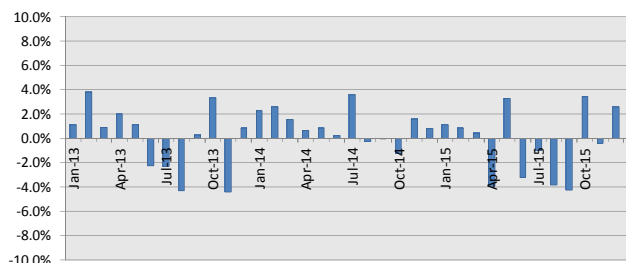
Return Performance	Portfolio Breakdown	Top Holding Bonds	Top Five Stocks Holding
Last 1-year period	Equity	PROJECT BASED SUKUK 001	Telekomunikasi Indonesia
Best Month	Treasury Bonds	SUKUK RETAIL 005	Unilever Indonesia
Worst Month	Govt. Related Bonds	PROJECT BASED SUKUK 002	Astra International
	Mutual Fund Fixed Income	PROJECT BASED SUKUK 004	Indofood CBP Sukses Makmur
	Cash/Deposit Sharia	SUKUK NEGARA IFR006	Indocement Tungal Prakarsa

	1 Month	3 Months	6 Months	1 Year	3 Years	YTD	Since Inception
AlliSyia Rupiah Balanced Fund	0.94%	3.14%	-1.79%	-5.42%	6.76%	0.94%	102.20%

Unit Price Curve of Alisya Rupiah Balanced Fund  
(Since Inception)



Monthly Performance of Alisya Rupiah Balanced Fund


**KEY FUND FACTS**

**Fund Size (in bn IDR)** : IDR 480.12  
**Risk Profile** : Moderate Investor  
**Launch Date** : 25 Apr 2006  
**Fund Currency** : Indonesian IDR  
**Managed by** : PT. Asuransi Allianz Life Indonesia

**Pricing Frequency** : Daily  
**Price per Unit (As of Jan 29, 2016)** : **Bid** IDR 1,920.86 **Offer** IDR 2,021.95  
**Bid-Offer Spread** : 5.00%  
**Management Fee** : 2.00% p.a

**MANAGER COMMENTARY**

Central Bureau Statistics of Indonesia (BPS) announced January's inflation at 0.51% mom (vs consensus +0.66%, +0.96% in Dec 2015) mostly were caused by higher food ingredients, processed food, beverages, cigarette and tobacco. On yearly basis, inflation printed at 4.14% YoY (vs consensus 4.26%, 3.35% in Dec 2015). Core inflation printed at +3.62% YoY, lower compared to previous month (vs consensus 3.80%, +3.95% in Dec 2015). In the Board of Governors' Meeting on Jan 14th, 2016, Bank Indonesia cut its reference rate by 25bps to 7.25%, Lending Facility to 7.75% as well as facility rate (FASBI) to 5.25%. Rupiah depreciated against USD by -0.37% to 13,846 at end of January compared to previous month 13,795. Trade balance was deficit -0.23bn USD (non-oil and gas surplus 0.27bn, oil and gas deficit 0.50bn USD) in Dec 2015. Export decreased by -17.66% YoY mostly driven from export in iron and steel, while imports decreased by -16.02% YoY. FX Reserves decreased -3.8bn USD from 105.93bn USD in Dec 2015 to 102.13bn USD in Jan 2016 due to maturing government global bond.

IDR government bond yields closed lower all across the curve in Jan 2016 on the back offshore inflows especially on short and medium tenor. News on reduced Tax for deposits from Export Proceed and BI decision to cut the rate gave positive sentiment to the market. Positive sentiment also came from market expectation that BI will continue easing due to lower inflation and Indonesia's rating outcome from Moody's. While market uncertainty which led by China currency and stocks matters, oil prices tumbling and the Sarinah bomb attack gave negative sentiment to the market. Moody's affirmed Indonesia's Baa3 sovereign rating with stable outlook. The Bank of Japan unexpectedly cut a benchmark interest rate below zero on Jan 29, stunning investors with another bold move to revive the economy as volatile markets and slowing global growth threaten its efforts to beat deflation according to Reuters. Offshore accounts increased their holding by IDR 19.8Tn in Jan 2016 (+3.54% MoM), from IDR 558.52Tn as of Dec 31, 2015 to IDR 578.32Tn as of Jan 29, 2016, which brought their holding to 38.94% of total outstanding tradable government bond (from 38.21% in the previous month). The 5Y yield Jan 2016 was lower by -55bps to 8.27% (8.82% in Dec 2015), 10Y tenor lower by -50bps to 8.25% (8.75% in Dec 2015), 15Y tenor lower by -42bps to 8.55% (8.97% in Dec 2015) and 20Y tenor lower by -27bps to 8.69% (8.96% in Dec 2015).

The JII (Jakarta Islamic Index) ended higher in January 2016 at 612.75, gaining +1.56% MoM. Large cap stocks such as TLKM, ASII, INDF, ICBP, and JSRM contributed to the MoM gain, all of which rose by +7.57%, +7.50%, +19.81%, +7.24%, and +10.05% MoM respectively. Regional stocks was volatile during January, which has been overshadowed by the sell-off in Chinese Stock Exchanges. The JCI was no exception. The Chinese regulators imposed policies that control capital market investment flows created Jitters amongst Chinese investors. On domestic front however, Indonesia posed to have better growth outlook for 2016. Indonesian government continue to induce domestic consumption growth by lowering fuel, gas, and electricity tariffs at the beginning of January. Absorption of Infrastructure spending was also encouraging. Absorption rate was reached 5-6% in Jan-16, much better than Jan-15 which was a mere sub 1%. Better absorption rate induces leverage towards economic growth. The IDR was relatively well stable, hovering in the range of IDR 13,600-13,700/USD despite BI rate cutting its reference rate by 25bps to 7.25%. An indication that investors are expecting a brighter growth outlook for 2016. Sector wise, the Consumer Sector was the best performing sector this month, rising by +5.18% MoM. INDF (Indofood) and ICBP (Indofood CBP) were the movers; appreciating by +19.81% and +7.24% MoM respectively. This was followed by the Miscellaneous Industry Sector that posted +3.87% MoM gains, driven by ASII (Astra International) which rose +7.50% MoM respectively. On the other side, Trading and Distribution Sector was the worst performing sector this month, which fell by -6.60% MoM. MNCN (Media Nusantara Citra) and LPPF (Matahari Department Store) were the laggards, depreciating -35.85% and -9.09% MoM respectively.

**Disclaimer:**

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